

## EXHIBIT A

W 40821.2  
W 17165

STATE OF CALIFORNIA

EDMUND G. BROWN JR., Governor

### CALIFORNIA STATE LANDS COMMISSION



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April 28, 2011

Mr. Christopher J. Garner  
Director, Long Beach Gas and Oil Department  
211 East Ocean Boulevard, Suite 500  
Long Beach, CA 90802

Dear Mr. Garner,

At its April 28, 2011 public meeting, pursuant to Chapter 941 of the Statutes of 1991 (Chapter 941) and the Agreement for Implementation of an Optimized Waterflood Program (OWPA), the State Lands Commission (Commission) reviewed the Long Beach Unit Program Plan (July 1, 2011 through June 30, 2016) and determined that the Program Plan as a stand-alone document did not include sufficient detailed information on the safety and environmental programs for the Long Beach Unit to find that it does not involve any significant environmental or safety risk. Based upon this determination, the Commission ordered the Long Beach Unit Program Plan to be revised to include an environmental and safety review and assessment of the Long Beach Unit operations to be completed within 15 months.

Further, the Commission directed staff to return to the Commission within 60 days with a detailed scope of the environmental and safety review and assessment. Specifically, the Commission directed staff to consult with the City of Long Beach and Occidental Long Beach, Inc. on the scope of the review and assessment, which at a minimum, will include an identification and analysis of environmental and safety risks that could lead to potential human injury, an adverse environmental impact, or significant property damage and recommendations to improve the operations and Program Plan to address any identified risks. The Commission's action included an amendment to the recommended findings in the calendar item to reflect that the scope of the review and assessment shall include that the review be funded in a manner so as not to impact net revenues to the General Fund. The Commission did not order any changes to the Long Beach Unit Annual Plan (July 1, 2011 – June 30, 2012).

Commission staff looks forward to working with you and your staff, as well as representatives of Occidental Long Beach, Inc. in developing the scope and in conducting the environmental and safety review and assessment of the Long Beach Unit operations.

Sincerely,

  
CURTIS L. FOSSUM  
Executive Officer

Mr. Christopher J. Garner  
April 28, 2011  
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cc: Frank Komin, Occidental Long Beach, Inc.  
Charles Parkin, Deputy City Attorney